

Hearing:

February 22, 2000

Paper No. 21

Bottorff

THIS DISPOSITION IS NOT

CITABLE AS PRECEDENT OF THE TTAB JULY 28, 00

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

SBC Communications, Inc.

v.

Federal Communications Group, Inc.

Opposition No. 107,490
to application Serial No. 75/151,660
filed on August 16, 1996

Opposition No. 107,493
to application Serial No. 75/151,659
filed on August 16, 1996

J. David Wharton and Constance M. Jordan of Shook, Hardy
& Bacon L.L.P. for SBC Communications, Inc.

Federal Communications Group, Inc., pro se.

Before Simms, Bottorff and Rogers, Administrative
Trademark Judges.

Opinion by Bottorff, Administrative Trademark Judge:

These consolidated opposition proceedings involve
applicant's applications for registration on the
Principal Register of the marks FREEDOM VOICEMAIL, for
"telecommunications services, namely, personal

Opposition Nos. 107,490 and 107,493

communication services via prepaid long distance telephone cards with voicemail capability,"¹ and FREEDOM CARD, for "prepaid long distance telephone cards not magnetically coded."² In the respective applications, applicant has disclaimed the exclusive right to use VOICEMAIL and CARD apart from the marks as shown in the applications.³

¹ Serial No. 75/151,660 (involved in Opposition No. 107,490), filed August 16, 1996 on the basis of use in commerce under Trademark Act Section 1(a). October 1, 1995 is alleged in the application as the date of first use of the mark anywhere and the date of first use of the mark in commerce.

² Serial No. 75/151,659 (involved in Opposition No. 107,493), filed August 16, 1996 on the basis of use in commerce under Trademark Act Section 1(a). June 1, 1994 is alleged in the application as the date of first use of the mark anywhere and the date of first use of the mark in commerce.

³ In both applications, the marks are depicted in slightly stylized lettering on the drawing pages of the applications, and both marks were classified as special-form "stylized" marks in the Office's automated database. However, as noted by opposer at page 13 of its brief, the specimens submitted with the respective applications do not display the respective marks in the stylized form depicted on the respective drawing pages. This discrepancy was not addressed during ex parte prosecution of the applications, either because it was overlooked by the Trademark Examining Attorney or because the Trademark Examining Attorney deemed the drawings to be typed-form drawings, notwithstanding the classification of the drawings in the Office's database as special-form stylized drawings. In any event, the stylization in which the marks appear on the drawing pages of the respective applications is so minimal as to have no significant effect on the commercial impressions created by the respective marks. Moreover, it appears from the specimens of record in each case that applicant seeks registration of the marks in typed form, rather than in the stylized form depicted in the current application drawings. In view thereof, the Board, on its own initiative, has amended the drawings of the marks, in the application files and in the Office's automated

Opposition Nos. 107,490 and 107,493

Opposer filed a timely notice of opposition as to each application. In each case, opposer claims that applicant's respective marks are barred from registration under Trademark Act Section 2(d), 15 U.S.C. §1052(d), because they are confusingly similar to various previously-used and registered marks owned by opposer or by those in privity with opposer. Specifically, opposer alleges that it owns a family of registered FREEDOM marks consisting of the following:

Registration No. 1,122,266, issued July 17, 1979, of the mark FREEDOM PHONE (PHONE disclaimed) for "wireless telephones, wireless telephone receiving stations, and wireless telephone base stations"; affidavits under Sections 8 and 15 accepted and acknowledged;

Registration No. 1,633,862, issued February 5, 1991, of the mark FREEDOM PHONE (PHONE disclaimed) for "telephones, answering machines, multi-station telephone key systems, telephone accessories, namely handset cords, line cords, adapters, wires, jack converters, jacks, face plates, wire junctions, couplers, filters, wire clips, backboards, antennas, message cassettes, beepers, and carrying cases"; affidavits under Sections 8 and 15 accepted and acknowledged;

Registration No. 1,832,059, issued April 19, 1994, of the mark FREEDOMLINK for "wireless

database, such that the marks clearly are set forth and classified as typed-form marks. Cf. TMEP §§807.08, 807.08(a) and 807.11. These amendments do not affect our analysis or decision in these opposition proceedings, and we reasonably presume, based on opposer's discussion of the issue at page 13 of its brief, that opposer has no objection to the amendments. Cf. Trademark Rule 2.133(a).

Opposition Nos. 107,490 and 107,493

telecommunications equipment, comprising a control unit, and hand sets that will allow the utilization of cellular frequencies"; affidavits under Sections 8 and 15 accepted and acknowledged;

Registration No. 1,875,862, issued January 24, 1995, of the mark FREEDOM LINK (stylized) for "wireless telecommunications equipment comprising a control unit and handsets that will allow the utilization of cellular frequencies";

Registration No. 1,865,987, issued December 6, 1994, of the mark FREEDOM PAGER (PAGER disclaimed) for "paging services";

Registration No. 1,866,784, issued December 13, 1994, of the mark FREEDOM PAGER (PAGER disclaimed) for "telecommunications pagers";

Registration No. 2,055,635, issued April 22, 1997, of the mark FREEDOMPLUS for "wireless telecommunications equipment, comprising a control unit, scanner, base station and hand sets that will allow the utilization of cellular frequencies"; and

Registration No. 1,972,080, issued April 22, 1997, of the mark TOLL-FREEDOM for "cellular telephone services."⁴

Opposer further alleges that applicant's marks, as applied to applicant's goods and services, so resemble opposer's marks as to be likely to cause confusion, to cause mistake, or to deceive.⁵

⁴ Registration No. 1,972,080 is owned by Southwestern Bell Telecommunications, Inc., a subsidiary corporation of opposer SBC Communications, Inc. See Randy Cole deposition at 6.

⁵ In each notice of opposition, opposer also pleaded an additional ground of opposition under Trademark Act Section

Opposition Nos. 107,490 and 107,493

Applicant filed an answer in which it admitted opposer's previous use and registration of opposer's pleaded marks. However, applicant denied that opposer owns a family of FREEDOM marks which would preclude registration of applicant's marks for applicant's "unique category of prepaid telecommunications goods and services." Applicant also denied opposer's likelihood of confusion allegations.

The evidence of record in this case consists of the pleadings, the two application files, status and title copies of opposer's eight pleaded registrations, applicant's responses to opposer's interrogatories and document production requests, and the testimony deposition transcripts, with exhibits, of opposer's employees Randy Cole and Andrea Lapczynski. Applicant presented no testimony or other evidence during its testimony period, although an officer of applicant attended the Cole and Lapczynski testimony depositions by telephone and cross-examined each of the witnesses.

2(a), alleging at Paragraph 19 that applicant's respective marks consist of and comprise "matter that may disparage and falsely suggest a connection with Opposer and those in privity with Opposer." However, opposer has not presented any evidence or argument in support of this additional ground, and in its brief has identified its Section 2(d) claim as the sole issue to be decided in these cases. In view thereof, the Board deems opposer to have waived its pleaded Section 2(a) claim.

Opposition Nos. 107,490 and 107,493

Opposer, but not applicant, filed a brief, and an oral hearing was held at which opposer, but not applicant, was represented.

Opposer is a global telecommunications provider, providing telephone service, Yellow Page services, wireless service, and cable television service. Formerly known as Southwestern Bell Telephone Company, opposer was one of the regional "Bell" telephone companies which, prior to divestiture, provided telephone service and equipment to the nation.

According to the testimony of opposer's witness Randy Cole, opposer has used the FREEDOM PHONE mark since 1984 on telephones and various telephone accessories. Since 1993, the telephones have been marketed by major retailers such as Sears, Wal-Mart, Target, KMart and Sharper Image. Some ninety different models of telephones and forty different accessory items bearing the mark have been offered for sale over the years, and ten different telephone models typically are available during any particular year. The average retail cost of the telephones is thirty-five dollars per unit. Opposer's sales figures have been submitted under seal, but we can say that such sales have been substantial, both in terms of number of units and dollar amounts.

Opposition Nos. 107,490 and 107,493

Likewise, the above-referenced retailers spend substantial sums every year to advertise the goods.

Opposer's witness Andrea Lapczynski testified as to opposer's use of the FREEDOMLINK and FREEDOMPLUS marks. The FREEDOMLINK mark is used on a telephone system sold to business customers. The system includes telephone handsets which, when used inside the customer's building, function as cordless or wireless telephones as well as desk phones. When carried outside the building, the handsets also function as regular cellular telephones. Because opposer's system must be integrated into the customer's existing internal telephone system, the sales and installation process can be lengthy, and the average cost of the system is \$65,000. Applicant has sold four hundred of these systems to various corporate customers such as Marriott, Kraft, and the insurance company USAA, with equipment sales totaling \$26 million.

Opposer uses the mark FREEDOMPLUS on a similar system designed for use by households and small businesses. These units are sold at opposer's own retail outlets. The system sells for \$200 to \$400, and is an out-of-the-box plug-in product. Opposer advertises the FREEDOMPLUS product in print advertising in the small

Opposition Nos. 107,490 and 107,493

business press and in the general media, as well as on telephone bill inserts and point of sale materials.

It appears, from applicant's discovery responses made of record by opposer, that applicant uses its marks in connection with prepaid long distance calling card services. Although applicant's FREEDOM CARD application covers the tangible cards themselves, which are classified by the Office as Class 16 goods, it appears from applicant's marketing materials that the cards themselves have no utility apart from the telephone and telecommunication services that applicant offers in connection therewith. Purchasers may purchase applicant's calling cards in varying denominations, such as ten dollars, twenty dollars or fifty dollars, and then may use the cards, for a prescribed number of minutes, to pay for long distance telephone calls made over applicant's telephone network. As the minutes are depleted, the purchaser may periodically "recharge" the calling card by using a credit card to pay for additional blocks of time. Applicant also provides additional telecommunications services, including voicemail and paging services, by means of its prepaid calling cards.

There is no dispute as to opposer's Section 2(d) priority, in view of opposer's submission of status and

Opposition Nos. 107,490 and 107,493

title copies of its pleaded registrations. See *King Candy Co. v. Eunice King's Kitchen, Inc.*, 496 F.2d 1400, 182 USPQ 108,110 (CCPA 1974). Moreover, applicant, in its answer to the notice of opposition, admitted opposer's allegations of prior use of its various marks in connection with its goods and services.

Accordingly, the sole issue to be decided in this case is whether a likelihood of confusion exists. Our determination under Section 2(d) is based on an analysis of all of the probative facts in evidence that are relevant to the factors bearing on the likelihood of confusion issue. See *In re E.I. du Pont de Nemours and Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). In any likelihood of confusion analysis, two key considerations are the similarities between the marks and the similarities between the goods and/or services. See *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976).

We turn first to a consideration of the similarity between the parties' respective marks, when viewed in their entirety in terms of appearance, sound, connotation and overall commercial impression. We find that applicant's marks FREEDOM CARD and FREEDOM VOICEMAIL

Opposition Nos. 107,490 and 107,493

are highly similar to opposer's marks, especially to opposer's FREEDOM PHONE and FREEDOM PAGER marks.

Each of those four marks consists of the word FREEDOM followed by a word which is a descriptive or generic name for a particular product or service. FREEDOM, which is at most a suggestive term as applied to the parties' goods and services, clearly is the dominant feature in the commercial impression created by each of the marks. Although we cannot ignore the other, disclaimed words in each of the marks, we nonetheless find that they contribute little to the marks' commercial impressions. The marks are identical but for the presence in each mark of a different generic word, and the mere presence of those different generic words in the respective marks (and the resulting differences in the appearance, sound and meaning of the respective marks) do not suffice to distinguish the marks, for purposes of our likelihood of confusion analysis.

We also find that applicant's marks FREEDOM CARD and FREEDOM VOICEMAIL are similar to opposer's other pleaded marks, i.e., FREEDOMLINK, FREEDOMPLUS and TOLL-FREEDOM. Although the word FREEDOM is not so clearly dominant a feature in these marks as it is in opposer's FREEDOM PHONE and FREEDOM PAGER marks, it nonetheless plays a

Opposition Nos. 107,490 and 107,493

significant role in the marks' commercial impressions. Because FREEDOM also is the dominant feature of applicant's marks, we find that applicant's marks are similar, rather than dissimilar, to opposer's FREEDOMLINK, FREEDOMPLUS and TOLL-FREEDOM marks, such that confusion would be likely if these various marks were to be used on related goods or services.

In summary, we find that applicant's marks are similar to opposer's marks, and that this likelihood of confusion factor favors opposer.

We turn next to a consideration of the relationship between applicant's goods and services and those of opposer. It is not necessary that these respective goods and services be identical or even competitive in order to support a finding of likelihood of confusion. Rather, it is sufficient that the goods or services are related in some manner or that the circumstances surrounding their marketing are such that they would be likely to be encountered by the same persons in situations that would give rise, because of the marks used thereon, to a mistaken belief that they originate from or are in some way associated with the same producer or that there is an association or connection between the producers of the respective goods. *See In re Melville Corp.*, 18 USPQ2d

Opposition Nos. 107,490 and 107,493

1386 (TTAB 1991); *In re International Telephone & Telegraph Corp.*, 197 USPQ 910 (TTAB 1978).

We find that applicant's prepaid calling cards and calling card services are sufficiently related to certain of opposer's goods and services that source confusion is likely to result from the marketing of the respective goods and services under the similar marks involved in this case. Both parties are using their FREEDOM marks in connection with personal telephone and telecommunications products and services. Purchasers encountering, for example, FREEDOM PHONE telephones and telephone accessories, FREEDOM PAGER pagers and paging service, FREEDOM CARD prepaid long distance telephone calling cards and FREEDOM VOICEMAIL prepaid telephone cards with voicemail capability, are likely to mistakenly assume that these various goods and services, all of which involve telephone equipment or services, emanate from a single source or from related sources.

Moreover, there are no limitations or restrictions in applicant's or opposer's respective identifications of goods and services, and we accordingly presume that both parties' goods and services are marketed in all normal trade channels and to all normal classes of customers for such goods and services. See *In re Elbaum*, 211 USPQ 639

Opposition Nos. 107,490 and 107,493

(TTAB 1981). We presume that the normal trade channels for applicant's prepaid telephone calling cards and calling card services include the same mass marketing trade channels as those used by the companies identified by applicant in its literature as applicant's competitors in the prepaid telephone service market, i.e., AT&T, Sprint and MCI. Such mass marketing trade channels also would be among those which are normal for opposer's telecommunications products and services, with the likely exception of the expensive business telephone system marketed under opposer's FREEDOMLINK mark. With the same exception, it is likely that the normal classes of purchasers would be the same for both applicant's prepaid telephone calling cards and calling card services and opposer's telephone products and services, i.e., consumers of telephone equipment and services, including household and small business users.

In summary, we find that applicant's identified goods and services are similar and commercially related to opposer's goods and services, at least in part, and that the parties' respective goods and services would be marketed in the same trade channels to the same classes of purchasers. These factors weigh in favor of a finding of likelihood of confusion in this case.

Opposition Nos. 107,490 and 107,493

A few of the other *du Pont* likelihood of confusion evidentiary factors bear mention in this case. First, we note that there is no evidence in the record of any use by third parties of marks similar to those involved herein on or in connection with goods or services similar to those of the parties to this case. Specifically, on this record it appears that opposer and applicant are the only users of marks which include the word FREEDOM on or in connection with goods and services of the type involved in this case. This fact weighs in favor of opposer.

We also find that opposer has shown that its FREEDOM PHONE mark is a relatively well-known, strong mark. As noted above, opposer's sales and advertising figures under this mark have been substantial, and we find that although the mark has not been shown to be a particularly famous mark, it nonetheless is entitled to a relatively broad scope of protection which is sufficient to preclude registration of applicant's marks in this case.

Finally, we reject opposer's assertion that it owns a family of FREEDOM marks. Opposer has failed to prove that it uses or promotes its pleaded marks as a family of marks; opposer's mere use of various marks which include the word FREEDOM does not suffice to establish the

Opposition Nos. 107,490 and 107,493

existence of a family of marks. See *J & J Snack Foods Corp. v. McDonald's Corp.*, 932 F.2d 1460, 18 USPQ2d 1889 (Fed. Cir. 1991). Accordingly, this factor is neutral in our likelihood of confusion analysis in this case.

After careful consideration of the evidence of record with respect to the relevant *du Pont* factors, we conclude that opposer has carried its burden of proving the existence of a likelihood of confusion as between its pleaded marks and each of the marks applicant seeks to register, and that registration of each of applicant's marks accordingly is barred under Trademark Act Section 2(d).

Decision: Opposition Nos. 107,490 and 107,493 are sustained.

R. L. Simms

C. M. Bottorff

G. F. Rogers

Administrative Trademark Judges
Trademark Trial and Appeal Board

Opposition Nos. 107,490 and 107,493